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EXAMINER

NGUYEN, KIMBERLY D

ART UNIT

PAPER NUMBER

2876

DATE MAILED: 07/14/2003

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application N .

09/993,977

Applicant(s)

CAVILES ET AL.

Examiner

Kimberly D. Nguyen

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☐ Responsive to communication(s) filed on ____.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-27 is/are pending in the application.
- 4a) Of the above claim(s) ____ is/are withdrawn from consideration.
- 5) ☒ Claim(s) 12-27 is/are allowed.
- 6) ☒ Claim(s) 1-3 and 6-11 is/are rejected.
- 7) ☒ Claim(s) 4 and 5 is/are objected to.
- 8) ☐ Claim(s) ____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 26 February 2002 is/are: a) ☐ accepted or b) ☒ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- 11) ☐ The proposed drawing correction filed on ____ is: a) ☐ approved b) ☐ disapproved by the Examiner.
- If approved, corrected drawings are required in reply to this Office action.
- 12) ☐ The oath or declaration is objected to by the Examiner.

Priority under 35 U.S.C. §§ 119 and 120

- 13) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. ____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.
- 14) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application).
- a) ☐ The translation of the foreign language provisional application has been received.
- 15) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892) 4) ☐ Interview Summary (PTO-413) Paper No(s). ____
- 2) ☒ Notice of Draftsperson's Patent Drawing Review (PTO-948) 5) ☐ Notice of Informal Patent Application (PTO-152)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449) Paper No(s) ____ 6) ☐ Other: ____

DETAILED ACTION

Claim Objections

1. Claim 4 is objected to because of the following informalities:

Claim 4, line 8: "MIDS" should be changed to "MIDs".

Appropriate correction is required.

Claim Rejections - 35 USC § 102

2. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

3. Claims 1, 6-8 are rejected under 35 U.S.C. 102(e) as being anticipated by Woloshin et al. (US 6,226,624; hereinafter "Woloshin").

Re claims 1, 6: Woloshin teaches a method enabling a merchant to establish a merchant account for processing credit card transactions whereby the merchant may begin processing transactions upon submitting an on-line merchant account application (abstract; paragraphs 5-11), the method comprising the steps of:

providing from a merchant to an application processing entity (i.e., partner) an indication that the merchant wishes to establish a merchant account (paragraphs 17-20);

transmitting over the Internet from the application processing entity to the merchant a merchant account application requesting data for establishing a merchant account (paragraphs 17-20);

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transmitting over the Internet from the merchant to the application processing entity the data for establishing a merchant account (paragraphs 17-20);

at the application processing entity, creating an account associated with the merchant (paragraphs 17-25);

at the application processing entity selecting and assigning a merchant identification number (MID), terminal identification number (TID), and gateway-identification-number (GID) or payment-gateway-entity (PGE) to the merchant account (paragraphs 24-25); and

at the application processing entity transmitting the selected MID, TID, and GID to the merchant (paragraphs 24-25).

Re claims 7-8: Woloshin teaches the method, further comprising the step of updating the processing center to which the GID routes the merchant's transactions with demographic data (i.e., merchant business name, contact, location, ownership structure, business tax ID, and/or expected average monthly credit card volume, etc., which serves as demographic data) supplied by the merchant in completing the merchant account application, so that transactions processed by the merchant may be properly identified (paragraphs 5, 7-11, and 26).

Claim Rejections - 35 USC § 103

4. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

5. Claims 2-3, 9-11 are rejected under 35 U.S.C. 103(a) as being unpatentable over Woloshin. The teachings of Woloshin have been discussed above.

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Re claims 2-3: Although, Woloshin does not specifically teach the application processing entity (card issuer) is an independent sales organization (ISO), an acquirer bank.

Woloshin teaches the partner, which serves as the application processing entity, is an entity that enables merchants to become online merchants, offers the merchant the prospect of opening new account, etc. (paragraph 18). Each partner has their partner-specific data such as logos, pricing, and customer service contact etc. (paragraph 19).

It would have been obvious to a person of ordinary skill to modify Woloshin's partner entity to an independent sales organization or acquirer bank. Therefore, it would have been an obvious extension from Woloshin's teachings.

Re claim 9: Woloshin teaches the merchant enters its banking information, checking account and direct deposit account, etc. (paragraph 28), which is obviously to prevent the transfer of funds from an acquiring bank associated with the merchant account to the merchant in settlement of transactions processed by the merchant. Therefore, it would have been obvious to a person of ordinary skill to integrate a divert flag to prevent the transfer of funds from an acquiring bank associated with the merchant account to the merchant in settlement of transactions processed by the merchant into Woloshin's teachings.

Re claims 10-11: Woloshin teaches the method further comprising the step of underwriting the account to verify the data submitted by the merchant in completing the merchant account application and to determine whether the merchant represents an acceptable risk according to predefined risk criteria (paragraphs 4, 8, and 22).

Allowable Subject Matter

6. Claims 12-27 are allowed.

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7. Claims 4-5 are objected to as being dependent upon a rejected base claim, but would be allowable if rewritten in independent form including all of the limitations of the base claim and any intervening claims.

8. The following is a statement of reasons for the indication of allowable subject matter:

The record of prior art fails to teach the method enabling a merchant to establish a merchant account for processing credit card transactions whereby the merchant may begin processing transactions upon submitting an on-line merchant account application, further comprising maintaining a database of available active MIDs that may be used to uniquely identify a merchant, TIDs that may be used to uniquely identify a particular location from which the merchant will be processing credit card transactions, and GIDs that uniquely identify various network gateways through which credit card transactions may be routed through a computer network to a transaction processing center; and selecting and assigning a MID, TID and GID to the merchant account from the plurality of available active MIDs, TIDs and GIDs stored in the database.

Conclusion


9. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure. Zirkel (US 6,135,349) teaches system and method for enabling a merchant to apply for a credit card processing account using the Internet. Watson et al. (US 6,226,624) teaches system and method for pre-authorization of individual account remote transactions. Tsiounis et al. (US 2001/0032878) teaches method and system for making anonymous electronic payments on the world wide web.


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Any inquiry concerning this communication or earlier communications from the examiner should be directed to Kimberly D. Nguyen whose telephone number is 703-305-1798. The examiner can normally be reached on Monday-Friday 7:30-4:30.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Michael G. Lee can be reached on 703-305-3503. The fax phone numbers for the organization where this application or proceeding is assigned are 703-305-1341 for regular communications and 703-305-1341 for After Final communications.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is 703-308-8792.


KDN
June 27, 2003


THIEN M. LE
PRIMARY EXAMINER